



Service and Support as a Business

Creating Lasting Value in IT Service and Support

MetricNet Best Practices Series



MetricNet™
Performance Benchmarking



Houston



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Empirical Observations from Our Global Database



Global Database

More than 3,700 IT Service and Support Benchmarks

70+ Key Performance Indicators

More than 120 Industry Best Practices



10 Mega Trends in End-User Support

- ❑ The rise of the Strategic Service Desk
- ❑ Holistic use of KPI's
- ❑ Benchmarking to Improve Performance
- ❑ User Self-Help
- ❑ Marketing the Service Desk
- ❑ Understanding TCO
- ❑ First Contact and First Level Resolution
- ❑ Process Rationalization (ITIL, ITSM)
- ❑ Knowledge Centered Service (KCS) and Remote Diagnosis
- ➡ ❑ Service and Support as a Business



The Maturity Continuum in IT Support

Reactive Stage



- Newer and less evolved support organizations are in this category
- A reactive “fire-fighting” mentality prevails at this stage
- Focus tends to be almost exclusively on service level compliance
- Support is continuously playing catch-up with user needs and expectations

Growth Stage



- Heavy investments in training, tools, and metrics characterize this stage
- A knowledge base of problem solutions is typically established
- An expert network of problem solvers is developed outside of support
- User self-help begins: user-enabled password resets, user searchable knowledge base

Strategic Stage



- The primary purpose of a strategic support organization is to make end users more productive, and to drive a positive view of IT
- A preventive, proactive culture prevails
- Support anticipates user needs and expectations, and provides services accordingly
- Customer enthusiasm and value creation is the goal!



IT Support as a Business Enterprise



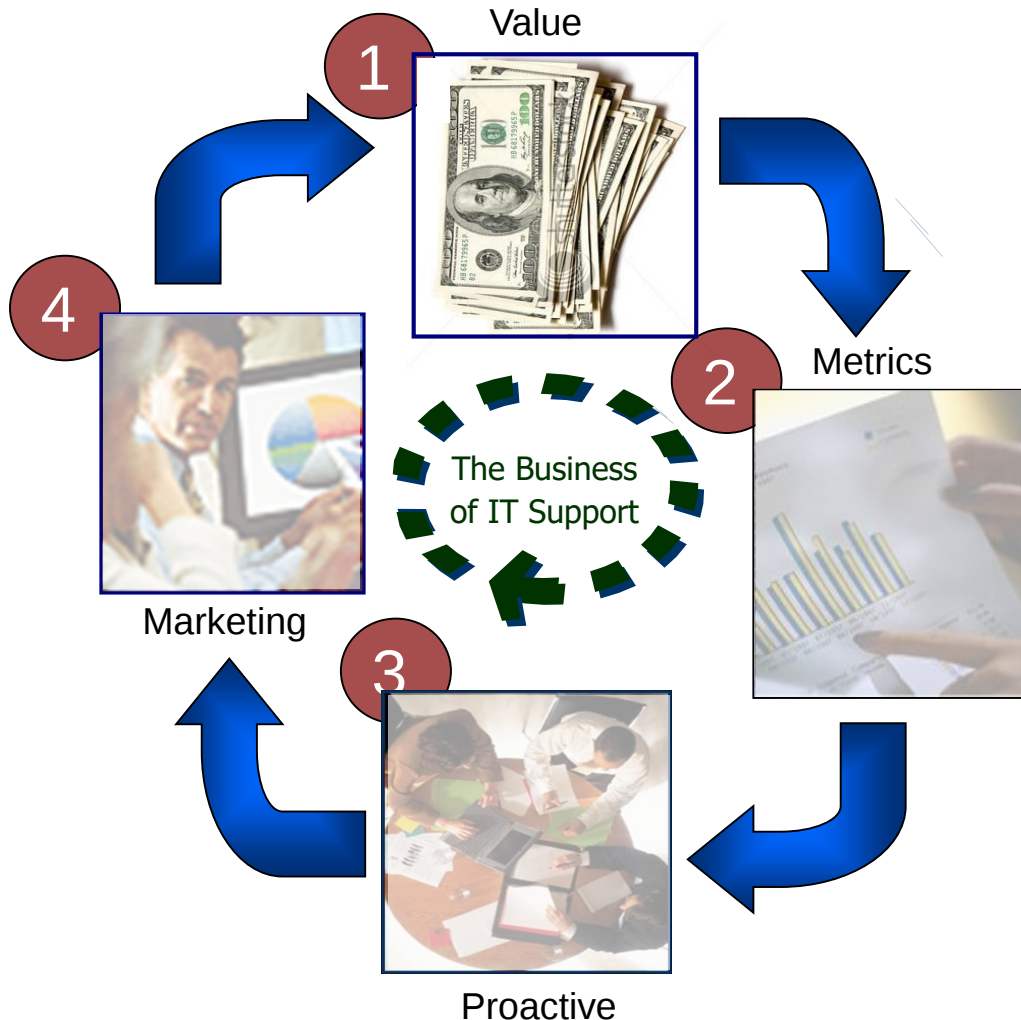
A Business Model for IT Support



Model Component	Description
1. Value	Leverage end-user productivity and TCO
2. Metrics	Holistic and diagnostic application of KPI's
3. Proactive	Anticipate user needs and expectations
4. Marketing	Actively manage stakeholder perceptions



Value: A Business Model for IT Support



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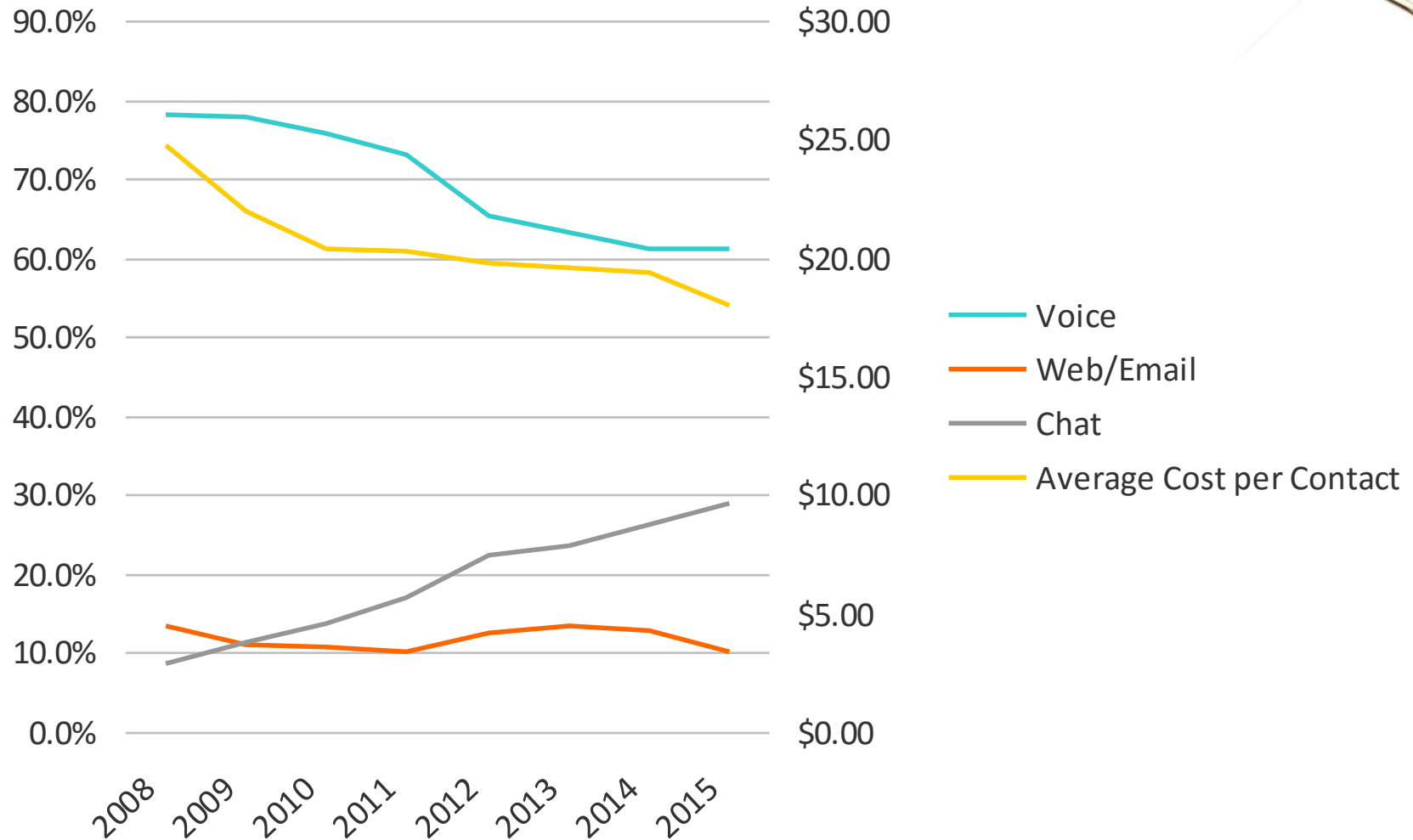
Support Has an Opportunity to Minimize TCO



Value

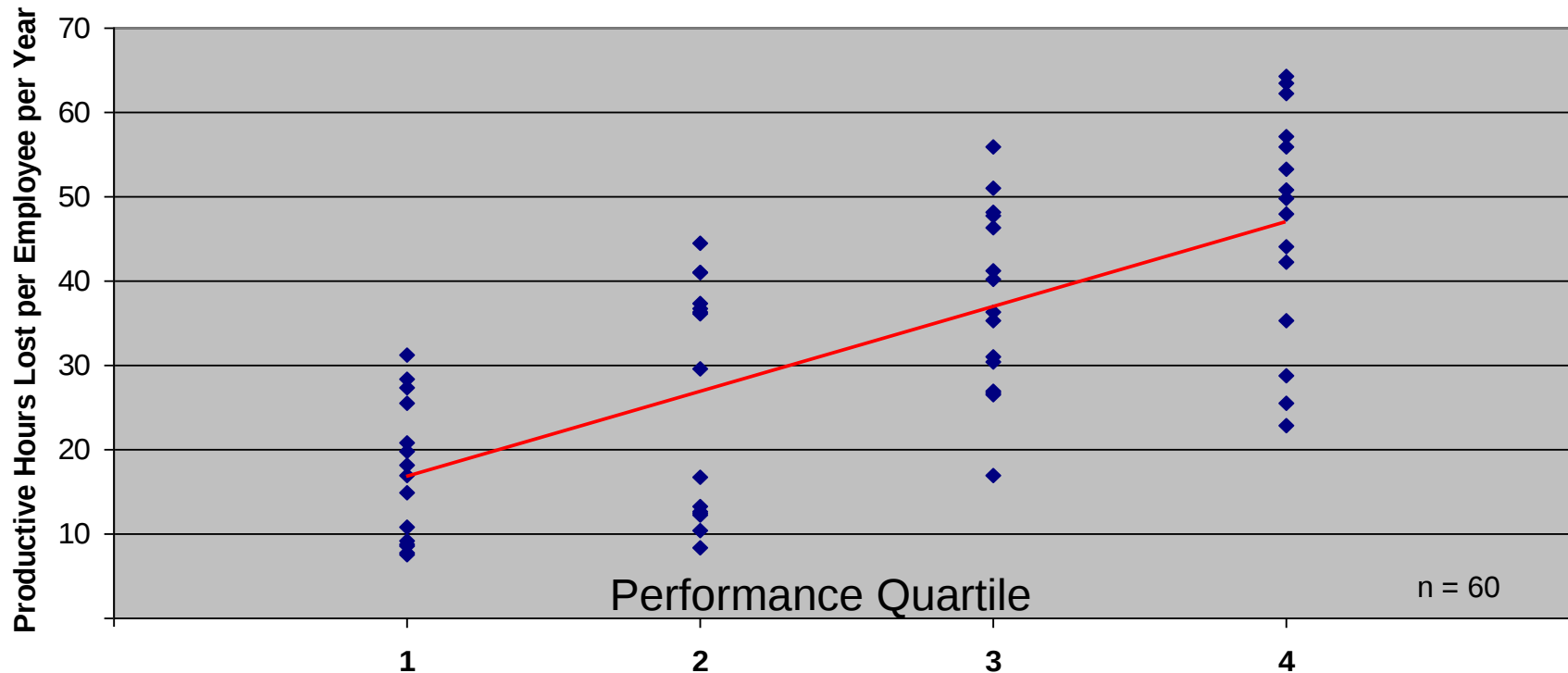


Contact Deflection into Lower Cost Channels





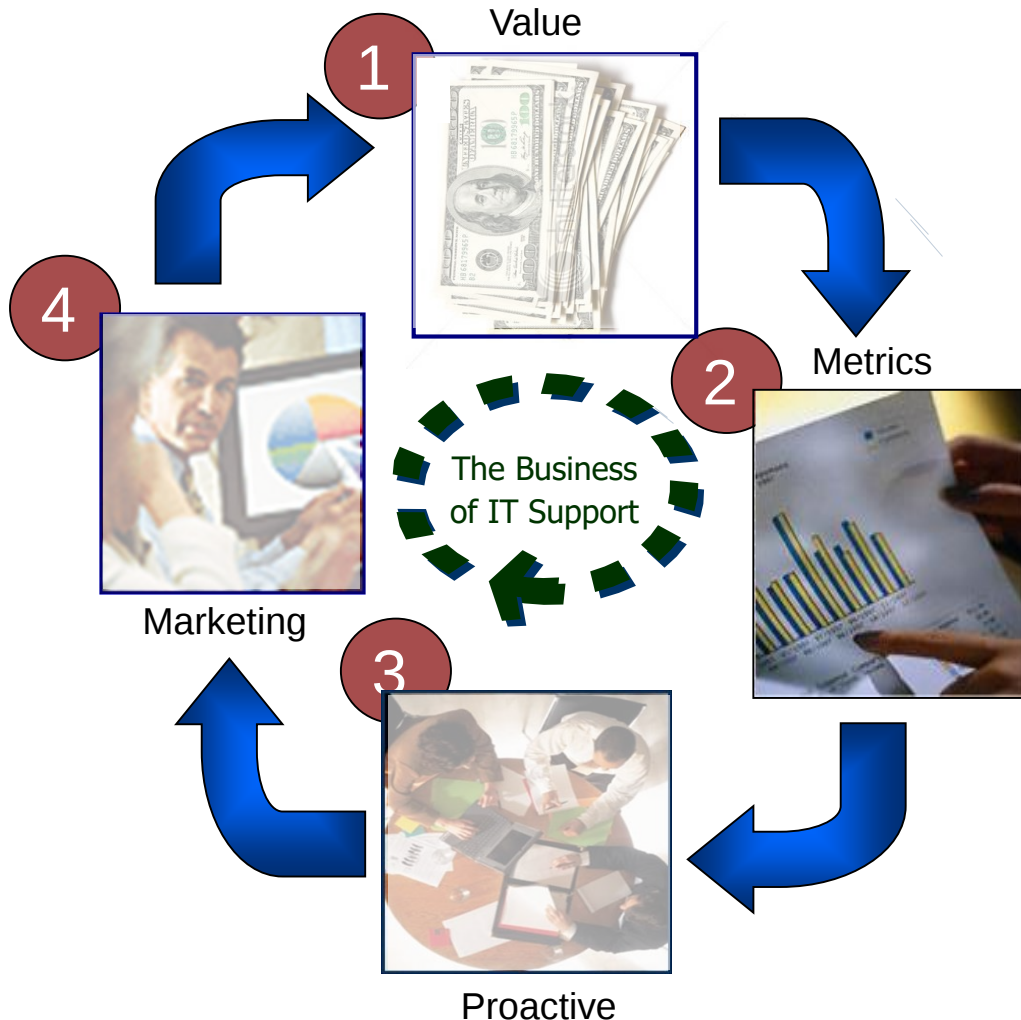
Quality of Support Drives End-User Productivity



Support Function	Key Performance Indicator	Performance Quartile			
		1 (top)	2	3	4 (bottom)
Service Desk	Customer Satisfaction	93.5%	84.5%	76.1%	69.3%
	First Contact Resolution Rate	90.1%	83.0%	72.7%	66.4%
	Mean Time to Resolve (hours)	0.8	1.2	3.6	5.0
Desktop Support	Customer Satisfaction	94.4%	89.2%	79.0%	71.7%
	First Contact Resolution Rate	89.3%	85.6%	80.9%	74.5%
	Mean Time to Resolve (hours)	2.9	4.8	9.4	12.3
Average Productive Hours Lost per Employee per Year		17.1	25.9	37.4	46.9



Metrics: A Business Model for IT Support



Model Component	Description
1. Value	Leverage end-user productivity and TCO
2. Metrics	Holistic and diagnostic application of KPI's
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Some Common Service Desk Metrics

Cost

- Cost per Ticket
- First Level Resolution Rate

Quality

- Customer Satisfaction
- Call Quality
- First Contact Resolution Rate

Productivity

- Contacts per Agent per Month
- Agent Utilization
- Agents as % of Total FTE's

Agent

- Agent Occupancy
- Annual Agent Turnover
- Daily Absenteeism
- New Agent Training Hours
- Annual Agent Training Hours
- Schedule Adherence
- Agent Tenure
- Agent Job Satisfaction

Service Level

- Average speed of answer (ASA)
- Call abandonment rate
- % Answered within 30 Seconds
- Average hold time
- Average time to abandon
- Percent of calls blocked

Call Handling

- Contact Handle Time
- % Escalated Level 1 Resolvable
- User Self-Service Completion Rate

And there are hundreds more!!



The 80/20 Rule for Service Desk KPI's



Cost

- Cost per Ticket

Quality

- Customer Satisfaction

Productivity

- Agent Utilization

Call Handling

- First Contact Resolution Rate

TCO

- First Level Resolution Rate

Agent

- Agent Job Satisfaction

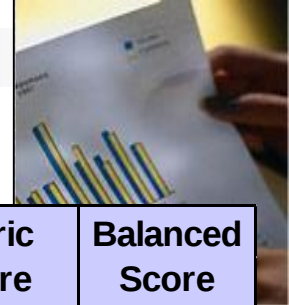
Aggregate

- Balanced scorecard

Read MetricNet's whitepapers on IT Support KPI's. Go to www.metricnet.com to download your copy!



Aggregate Metrics: The Balanced Scorecard



Performance Metric	Metric Weighting	Performance Range		Your Performance	Metric Score	Balanced Score
		Worst Case	Best Case			
Cost per Contact	25.0%	\$55.28	\$9.15	\$21.83	72.5%	18.1%
Customer Satisfaction	25.0%	63.7%	97.5%	77.2%	39.9%	10.0%
Agent Utilization	15.0%	30.9%	64.4%	47.0%	48.0%	7.2%
Net First Contact Resolution Rate	15.0%	51.8%	87.5%	70.2%	51.4%	7.7%
Agent Job Satisfaction	10.0%	53.5%	91.5%	73.4%	52.4%	5.2%
Average Speed of Answer	10.0%	192	13	60	73.5%	7.3%
Total	100.0%	N/A	N/A	N/A	N/A	55.6%

Step 1

Six critical performance metrics have been selected for the scorecard

Step 2

Each metric has been weighted according to its relative importance

Step 3

For each performance metric, the highest and lowest performance levels in the benchmark are recorded

Step 4

Your actual performance for each metric is recorded in this column

Step 5

Your score for each metric is then calculated:

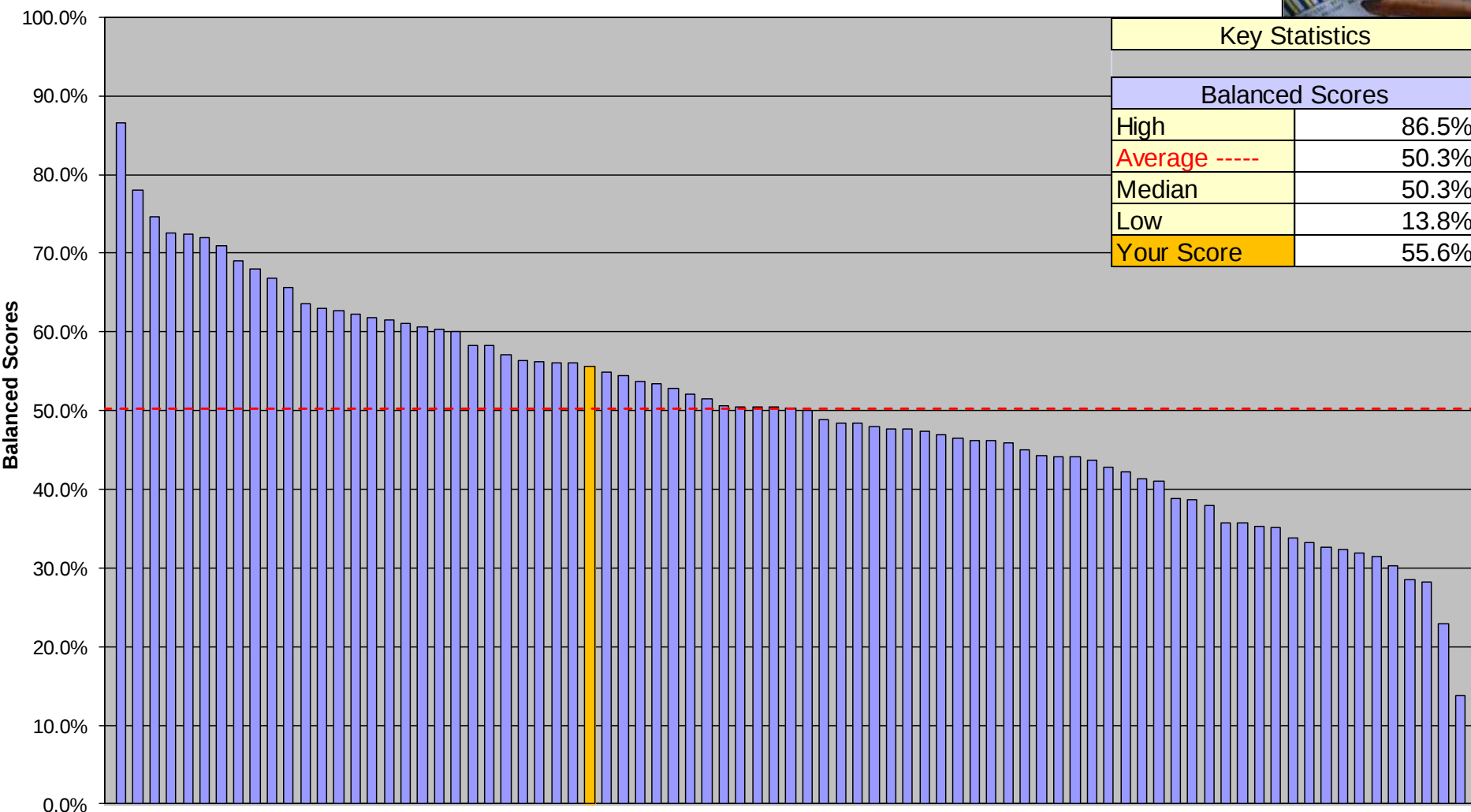
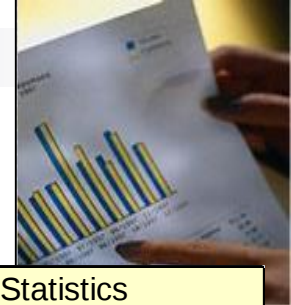
$$\text{Metric Score} = \frac{\text{Worst Case} - \text{Actual Performance}}{\text{Worst Case} - \text{Best Case}} \times 100$$

Step 6

Your balanced score for each metric is calculated: metric score X weighting

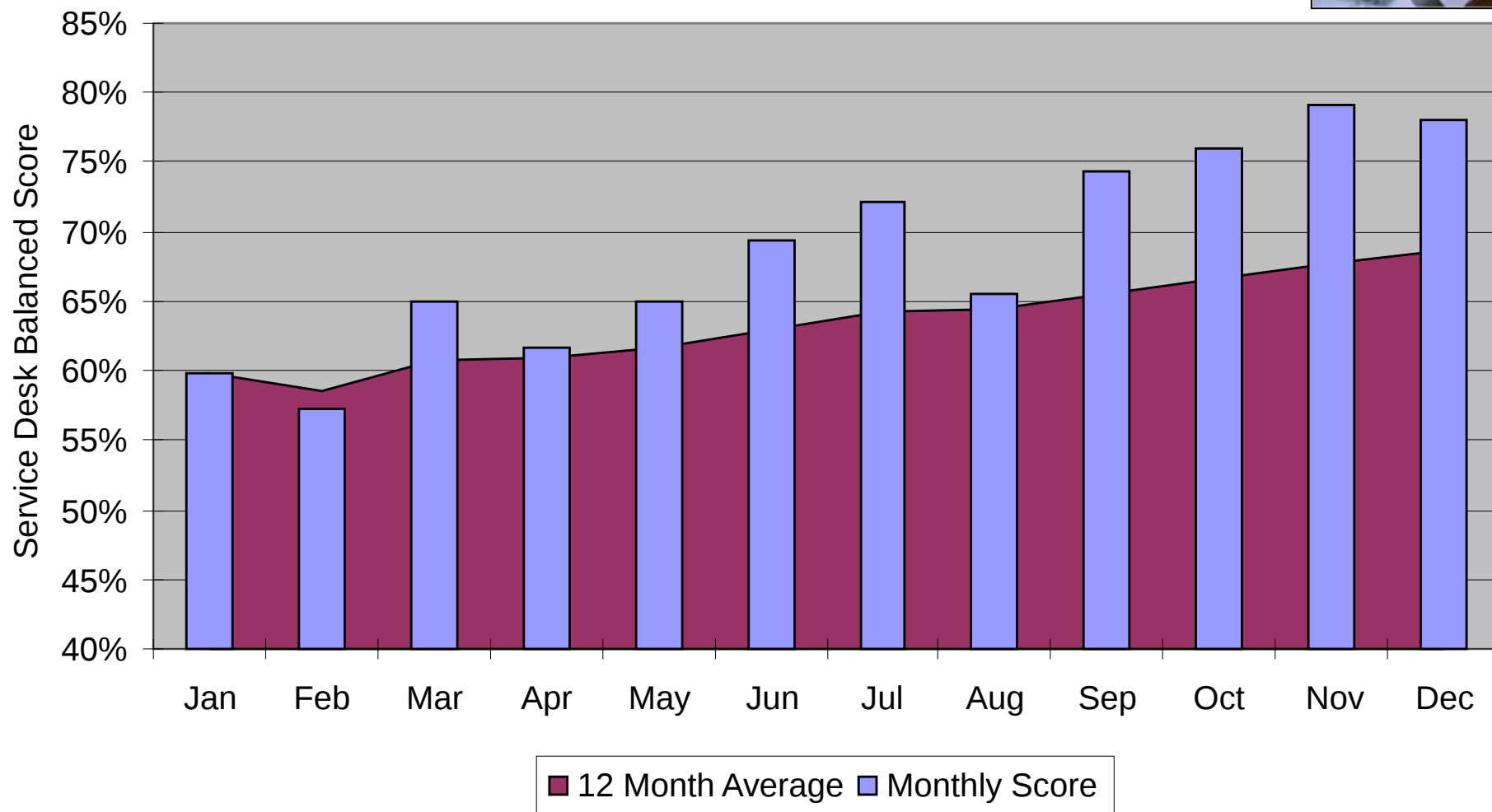


Benchmarking Your Overall Performance



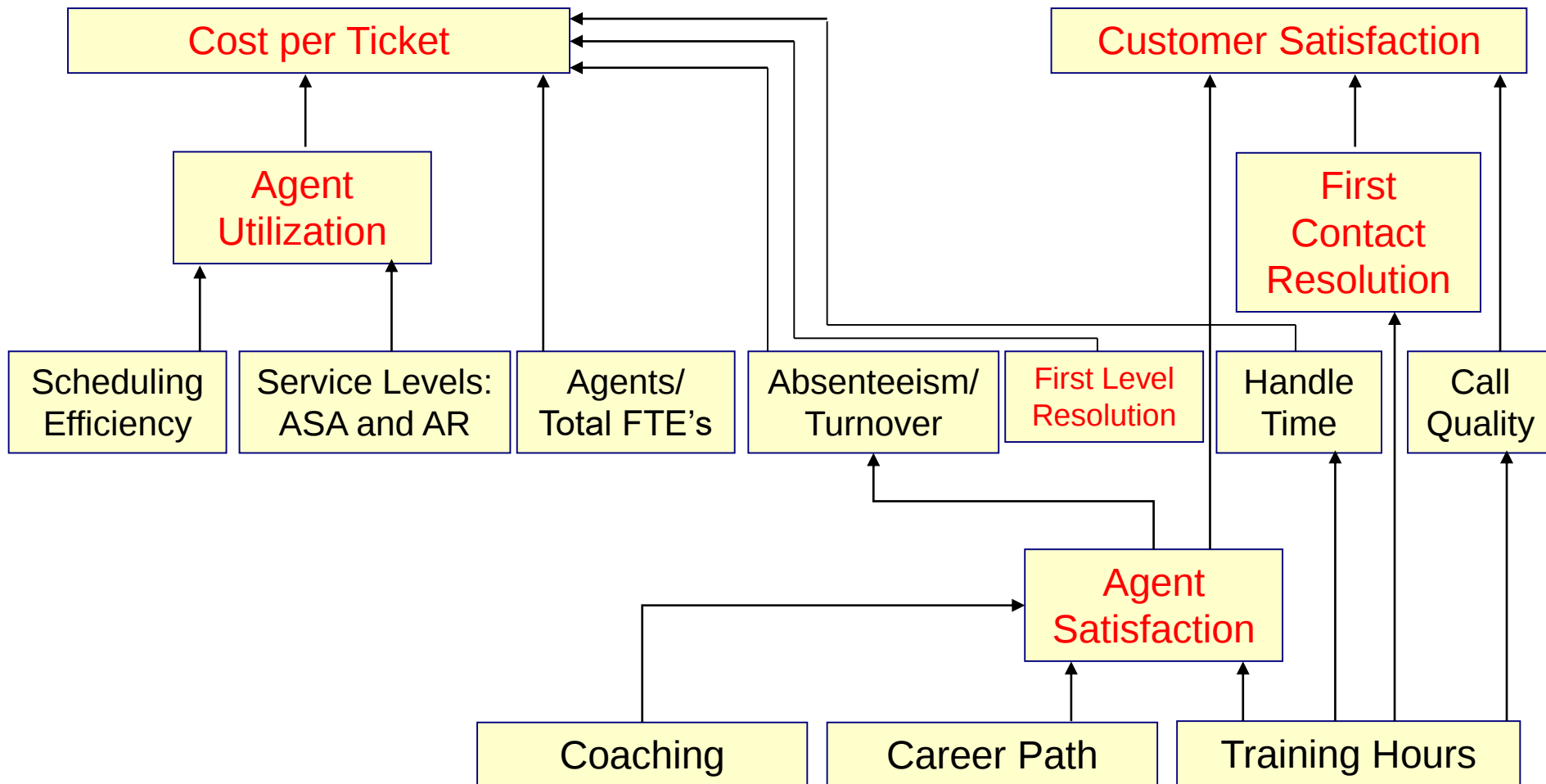


The Service Desk Performance Trend





A Summary of KPI Correlations for the Service Desk





Some Common Desktop Support KPI's

Cost

- Cost per Ticket
- Cost per Incident
- Cost per Service Request

Service Level

- Average Incident Response Time (min)
- % of Incidents Resolved in 24 Hours
- Mean Time to Resolve Incidents (hours)
- Mean Time to Complete Service Requests (days)

Ticket Handling

- Average Incident Work Time (min)
- Average Service Request Work Time (min)
- Average Travel Time per Ticket (min)

Quality

- Customer Satisfaction
- First Contact Resolution Rate (Incidents)
- % Resolved Level 1 Capable
- % of Tickets Re-opened

Technician

- Technician Satisfaction
- New Technician Training Hours
- Annual Technician Training Hours
- Annual Technician Turnover
- Technician Absenteeism
- Technician Tenure (months)
- Technician Schedule Adherence

Productivity

- Technician Utilization
- Tickets per Technician-Month
- Incidents per Technician-Month
- Service Requests per Technician-Month
- Ratio of Technicians to Total Headcount

Workload

- Tickets per Seat per Month
- Incidents per Seat per Month
- Service Requests per Seat per Month
- Incidents as a % of Total Ticket Volume

And there are hundreds more!!





The 80/20 Rule for Desktop Support KPI's

Cost

- Cost per Ticket

Quality

- Customer satisfaction

Productivity

- Technician Utilization

Call Handling

- First contact resolution rate (incidents)

Service Level

- Mean Time to Resolve

TCO

- % Resolved Level 1 Capable

Technician

- Technician Satisfaction

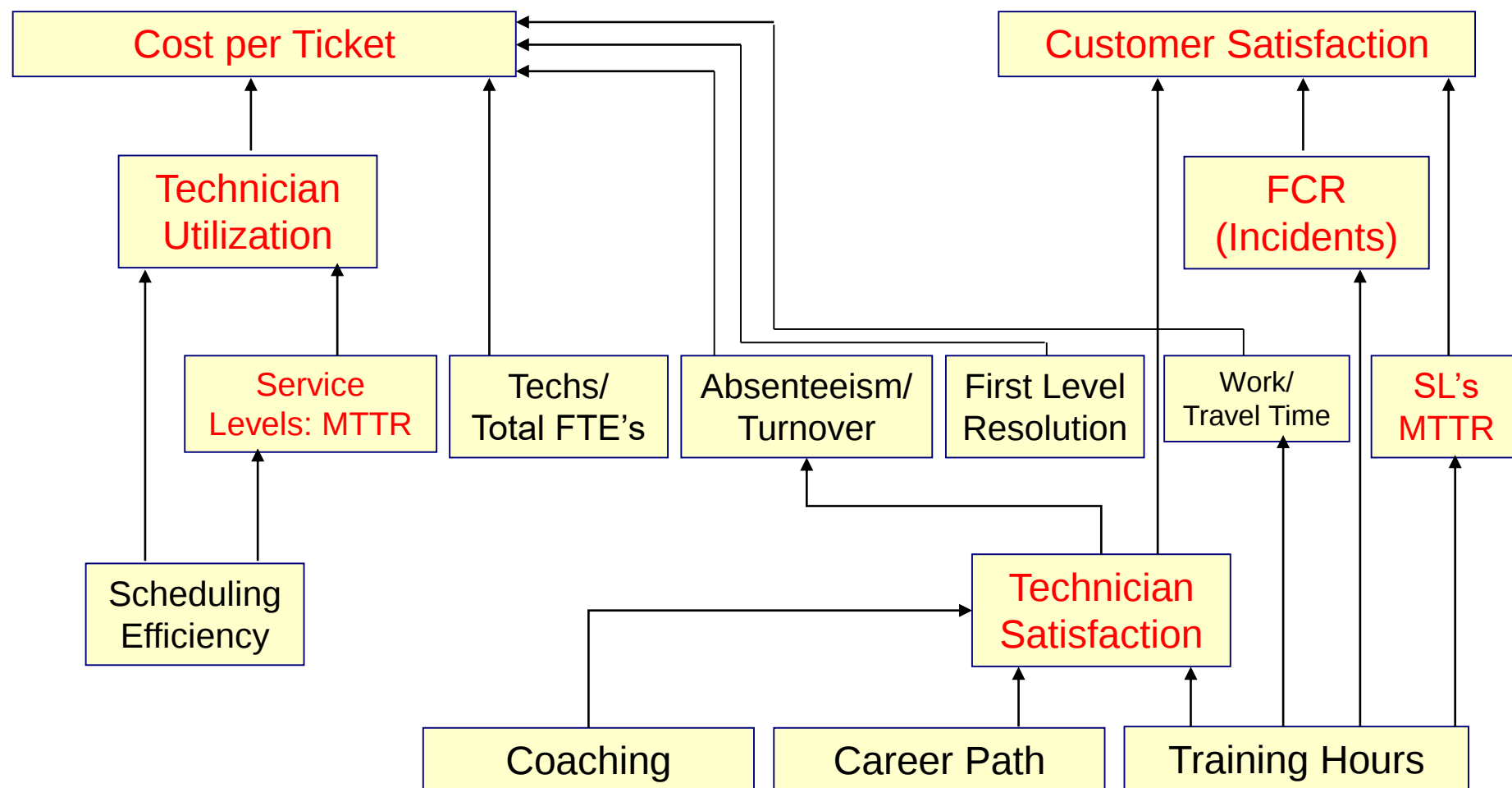
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- Balanced scorecard

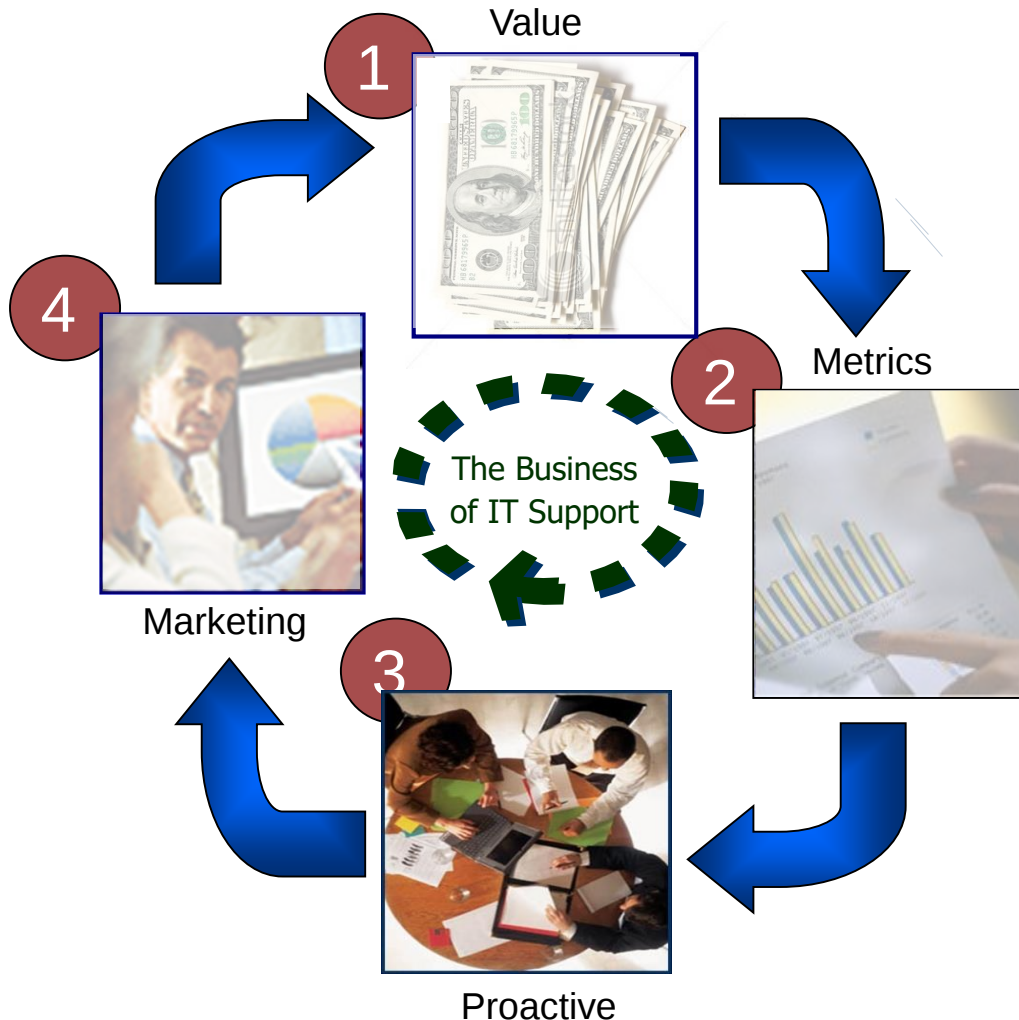




A Summary of KPI Correlations for Desktop Support



Proactive: A Business Model for IT Support



Model Component	Description
1. Value	Leverage end-user productivity and TCO
2. Metrics	Holistic and diagnostic application of KPI's
3. Proactive	Anticipate user needs and expectations
4. Marketing	Actively manage stakeholder perceptions





A Proactive Culture in IT Support

Some Common Proactive Behaviors

- ❑ Root Cause Analysis / Closed Ticket Analysis
- ❑ Marketing / Brand Management
- ❑ Business Case Analysis for New Investments
- ❑ Benchmarking
- ❑ Goal-based Training
- ❑ Cause-and-Effect Decision-making
- ❑ Manage Agent Morale / Agent Job Satisfaction
- ❑ Agent Scorecards





A Proactive Culture in IT Support

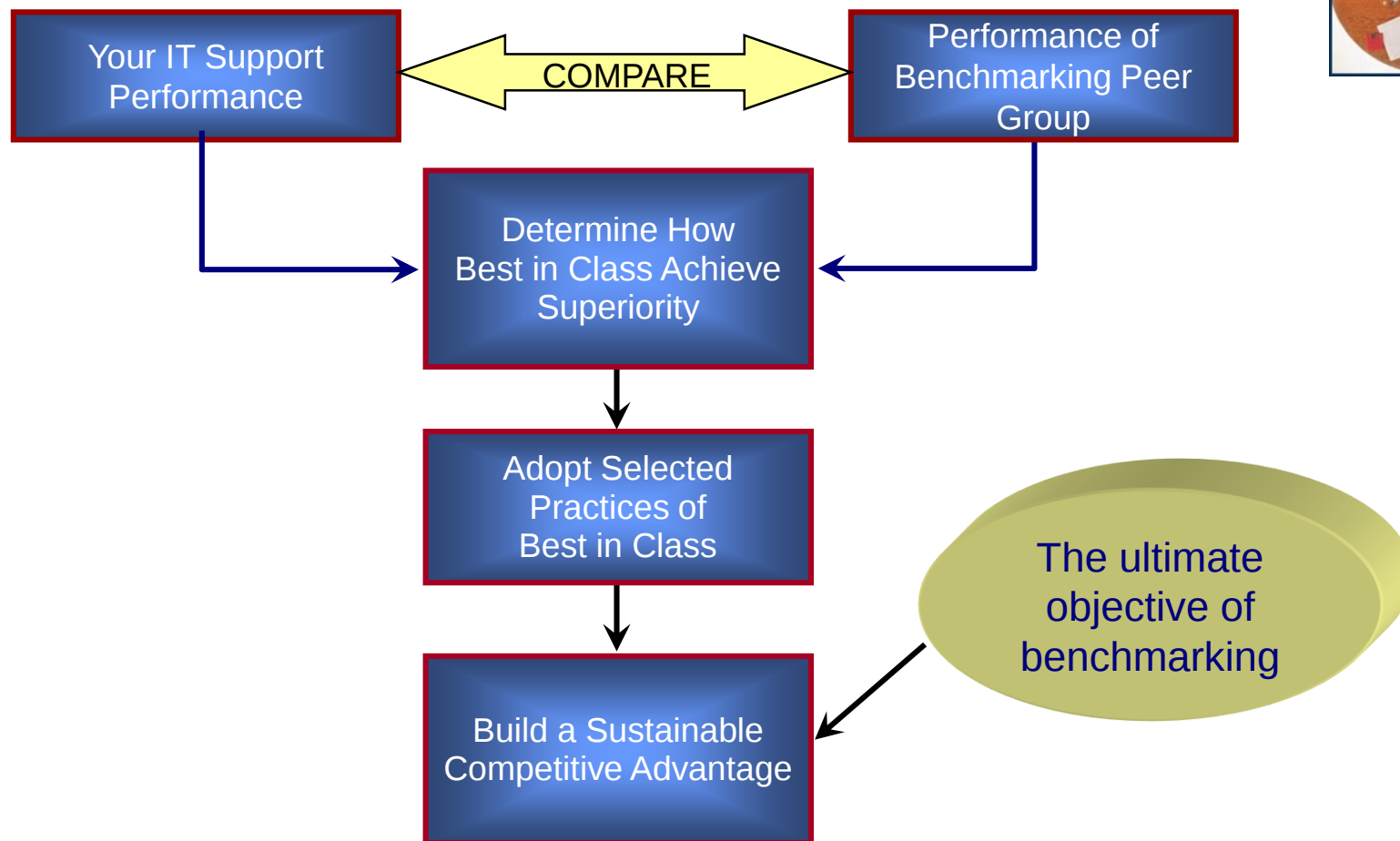
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The Benchmarking Methodology

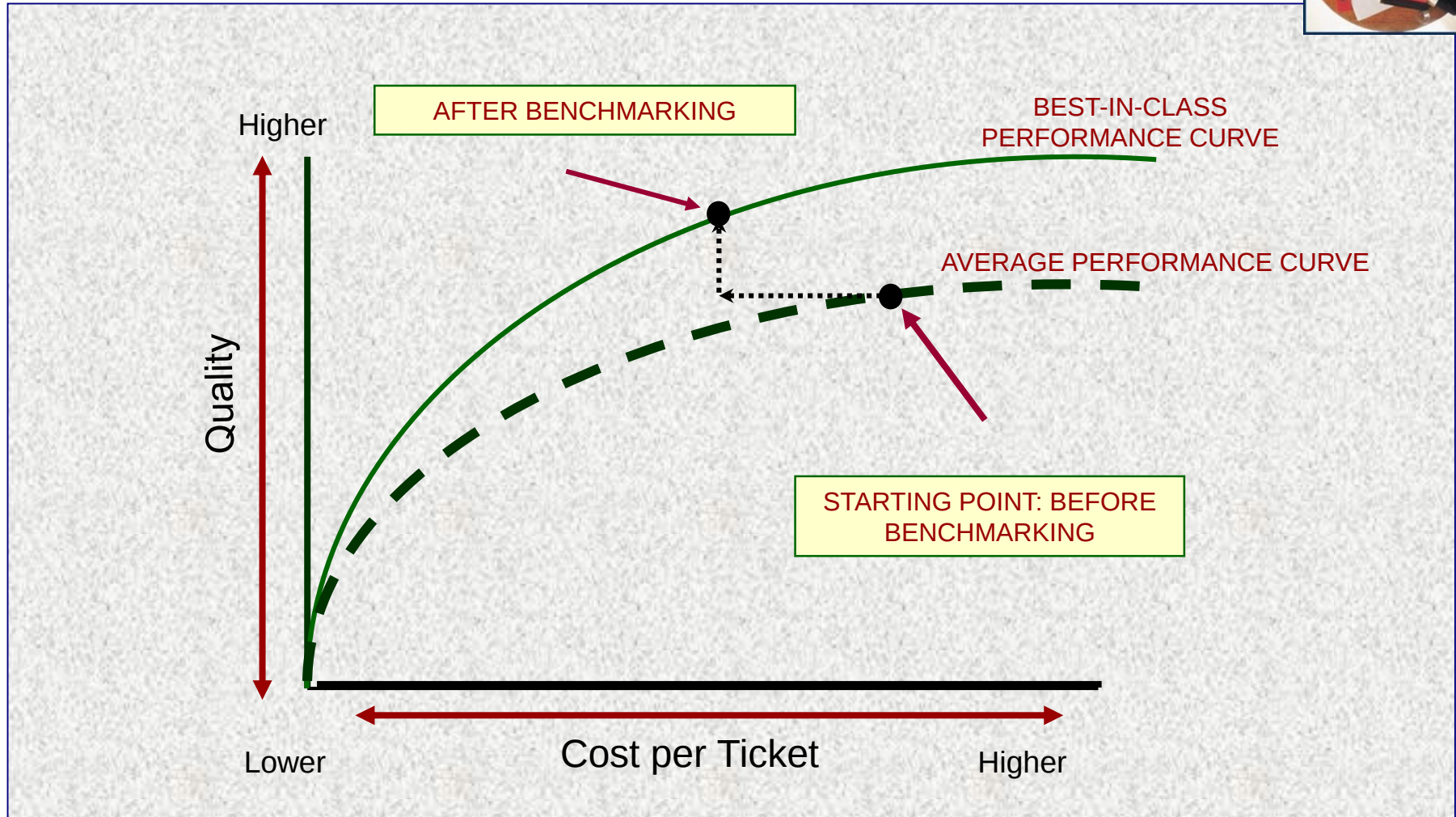


Read MetricNet's whitepaper on IT Support Benchmarking. Go to www.metricnet.com to download your copy!





The Goal of Benchmarking





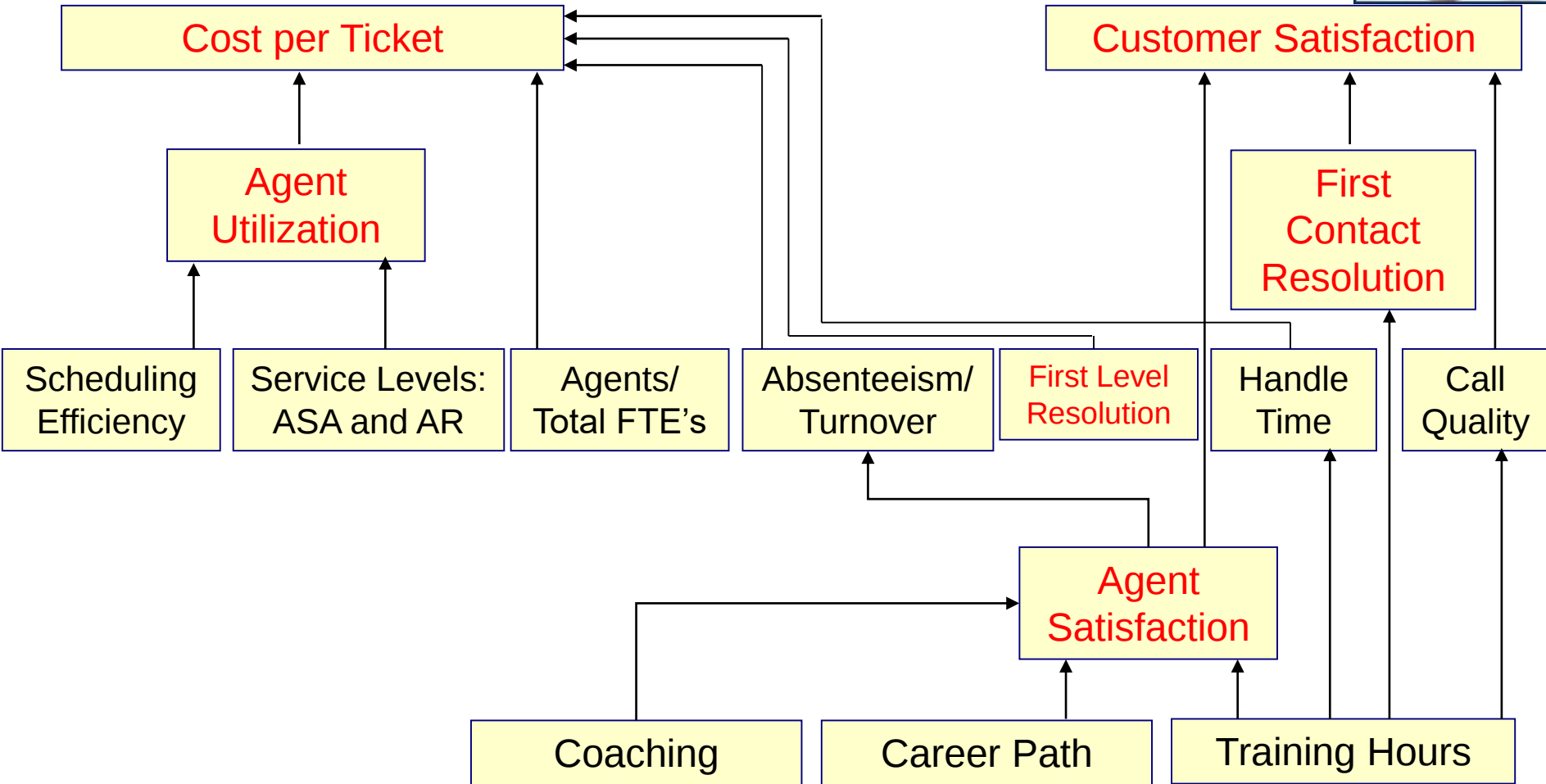
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Some Common Proactive Behaviors

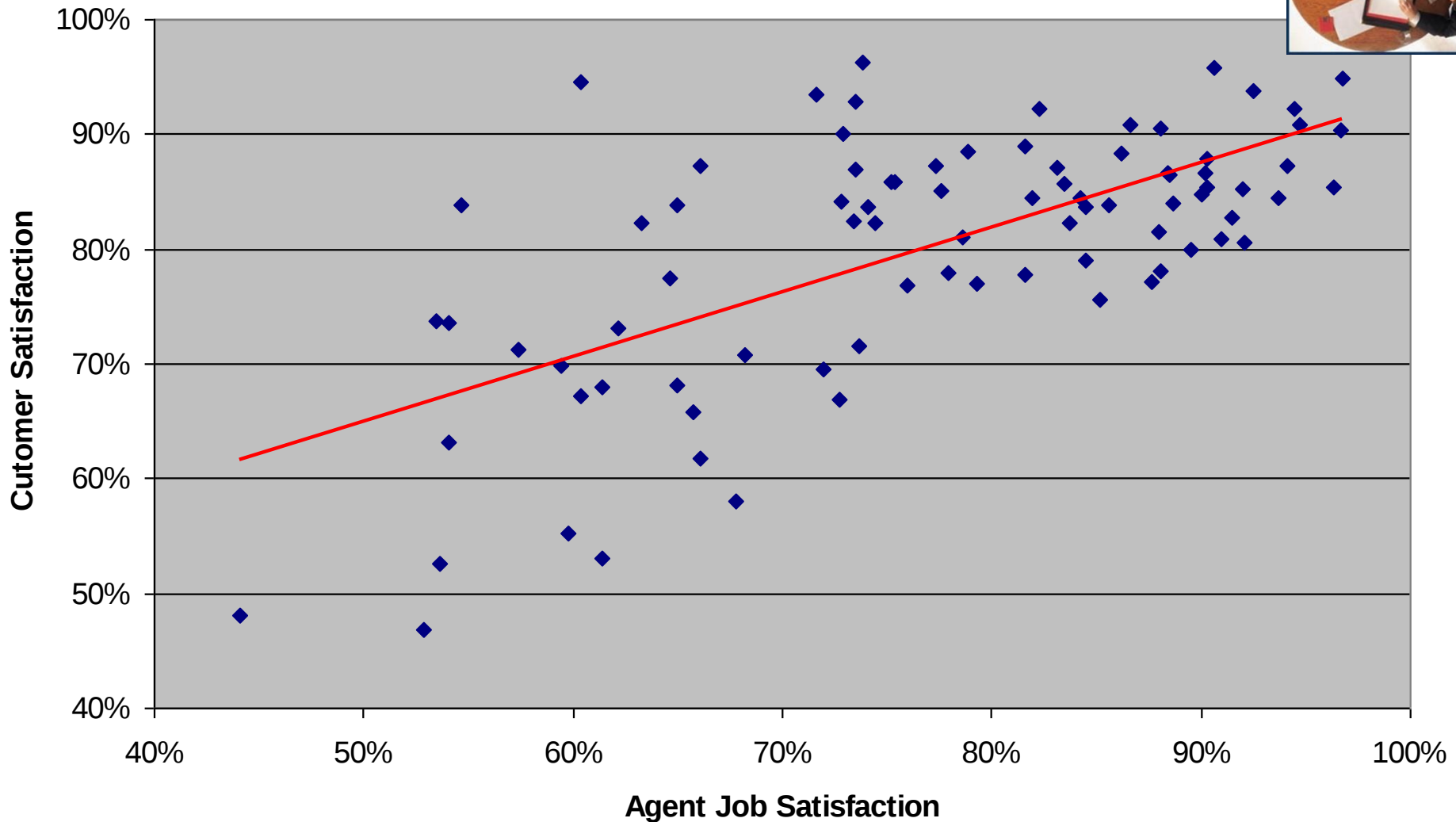
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Managing Agent Morale and Job Satisfaction

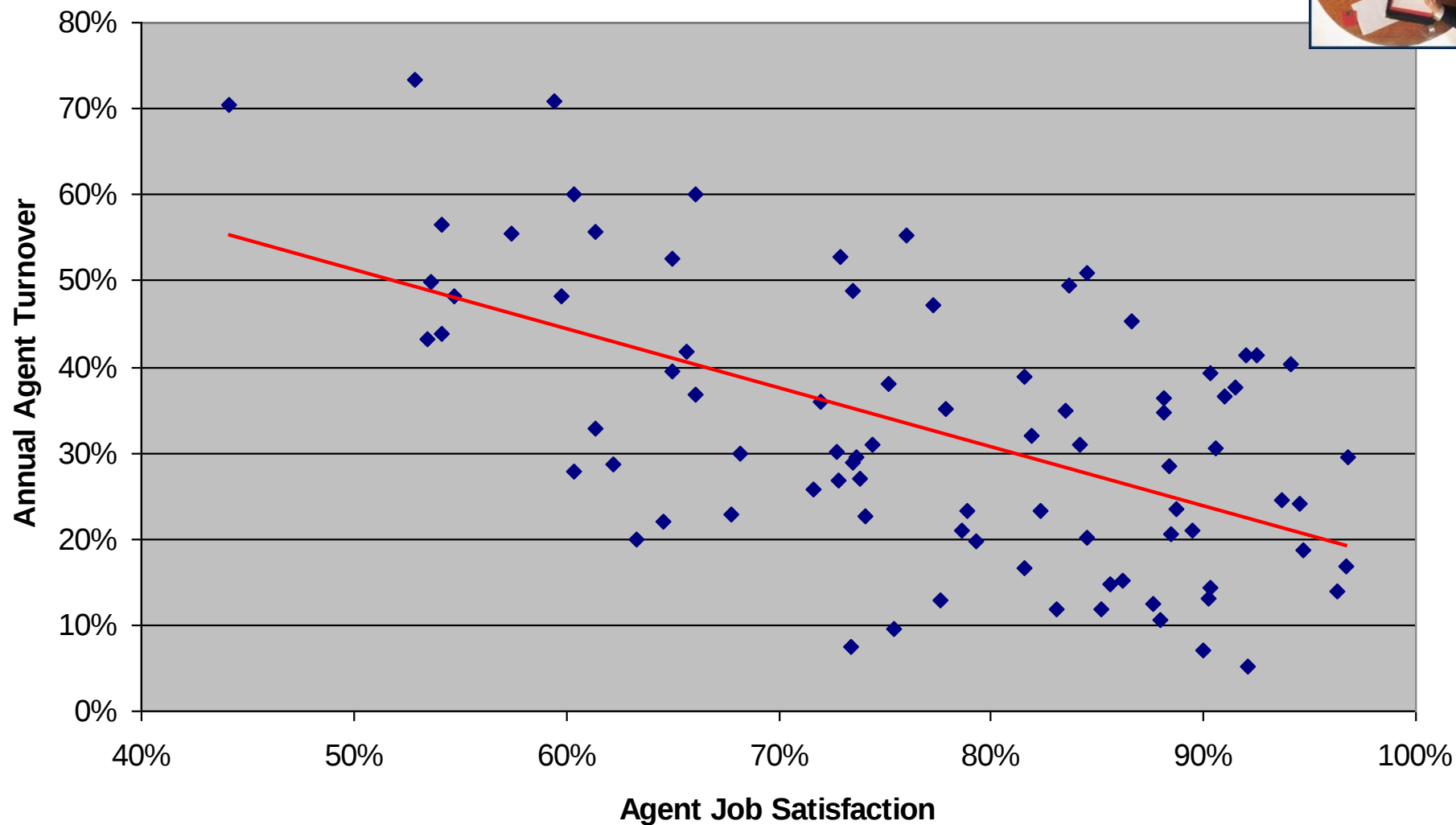


Agent Job Satisfaction vs. Customer Satisfaction



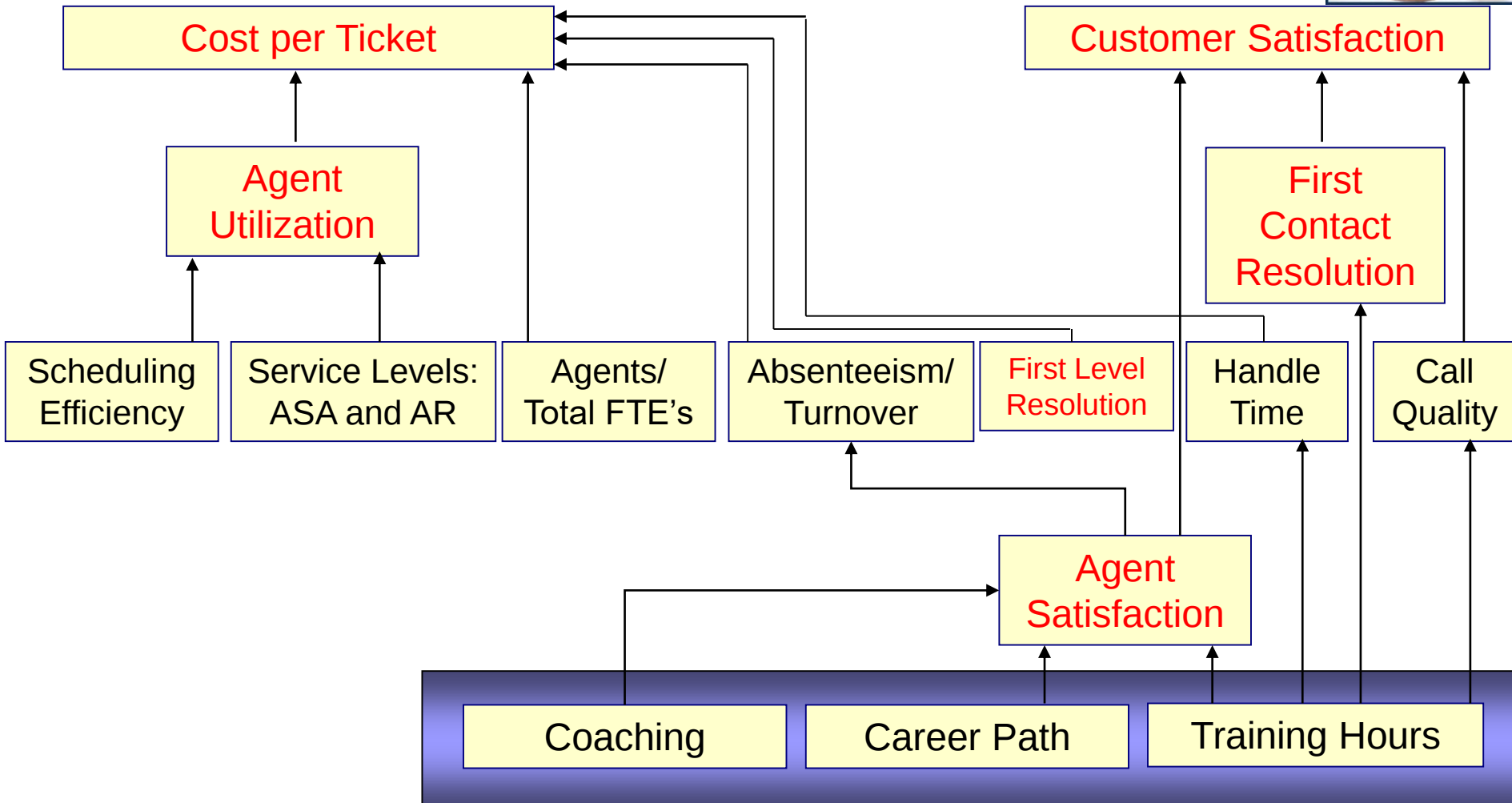


Agent Job Satisfaction vs. Agent Turnover



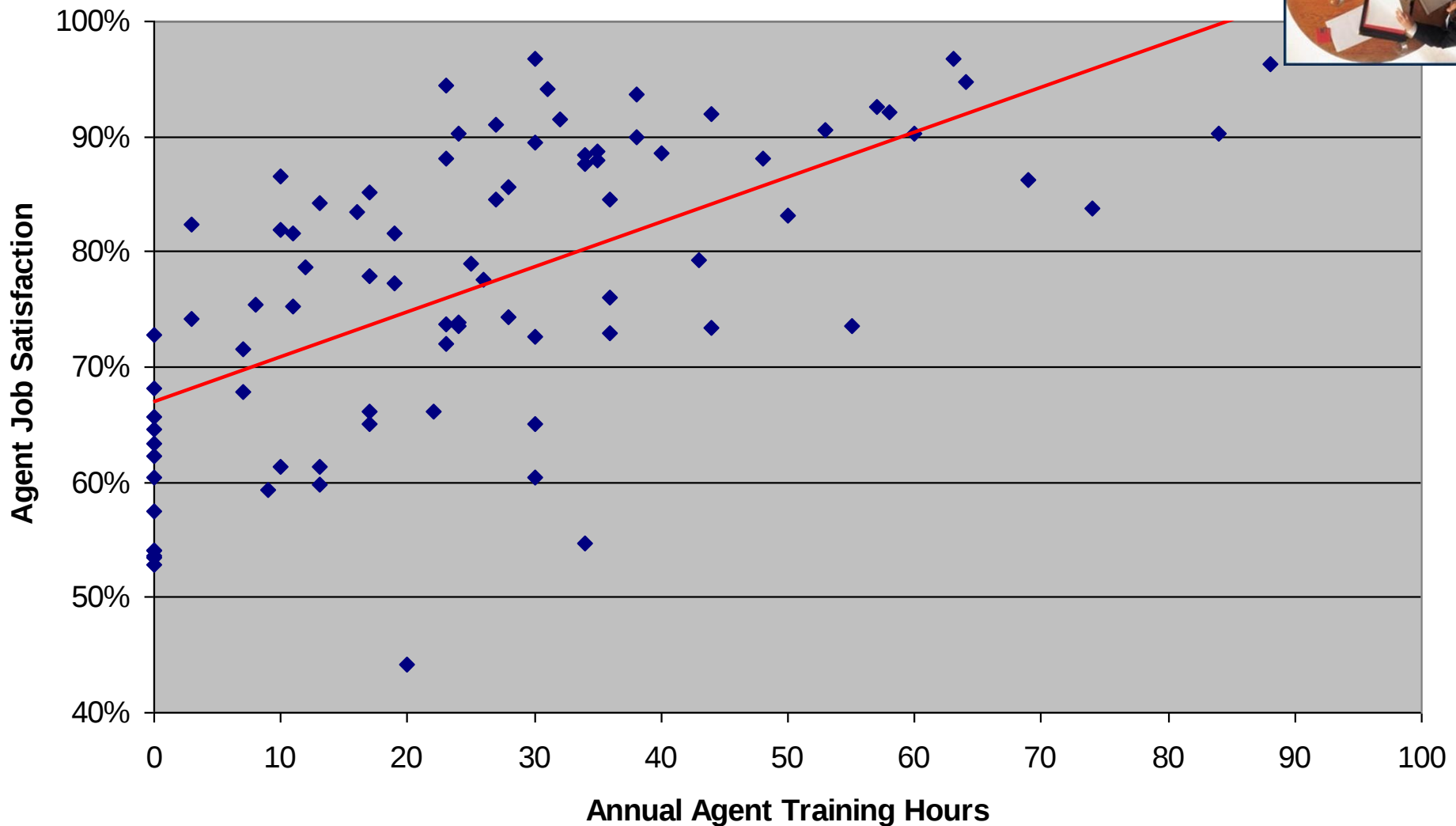


Managing Agent Morale and Job Satisfaction



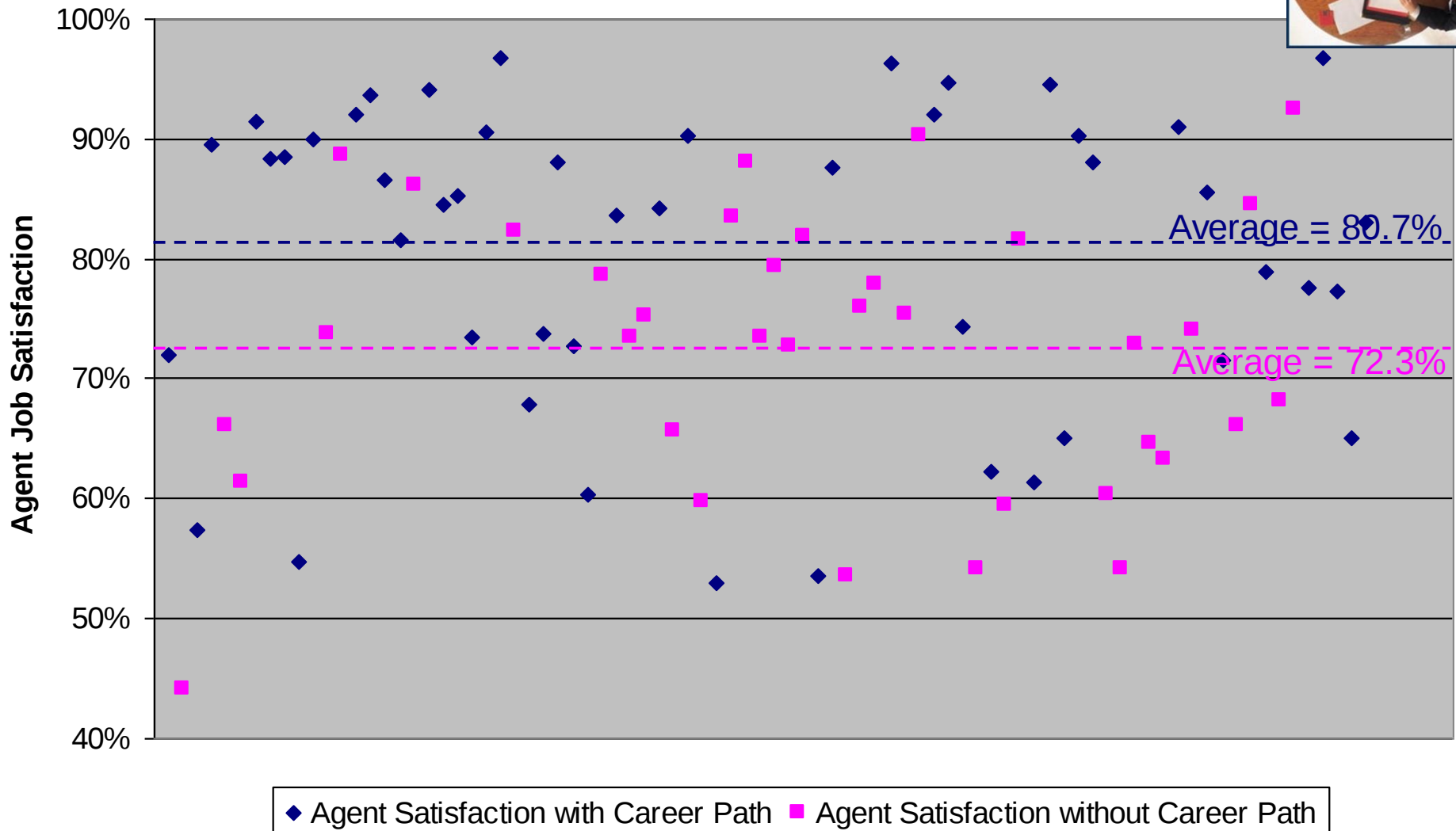


Agent Training Hours vs. Agent Job Satisfaction

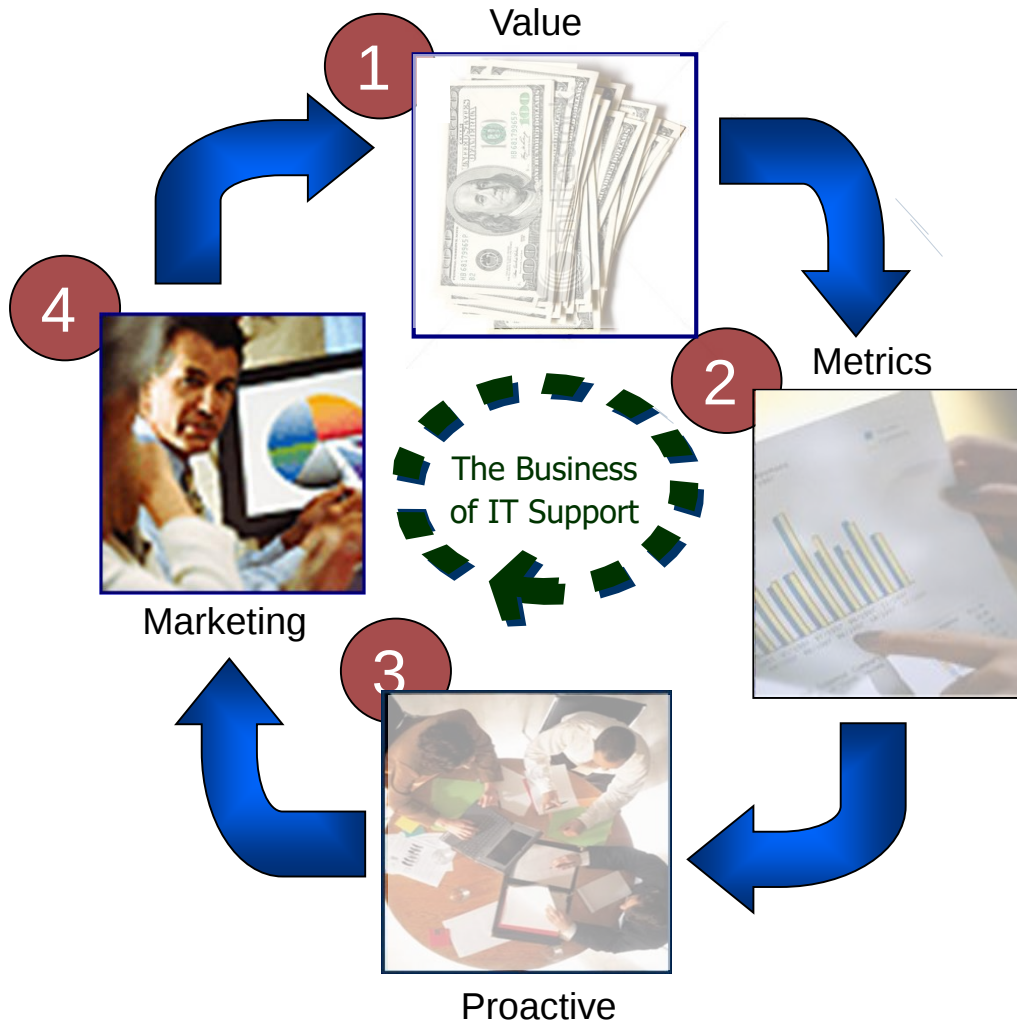




The Impact of Career Path on Agent Job Satisfaction



Marketing: A Business Model for IT Support



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The Role of Marketing in IT Support

We've all heard the expression...

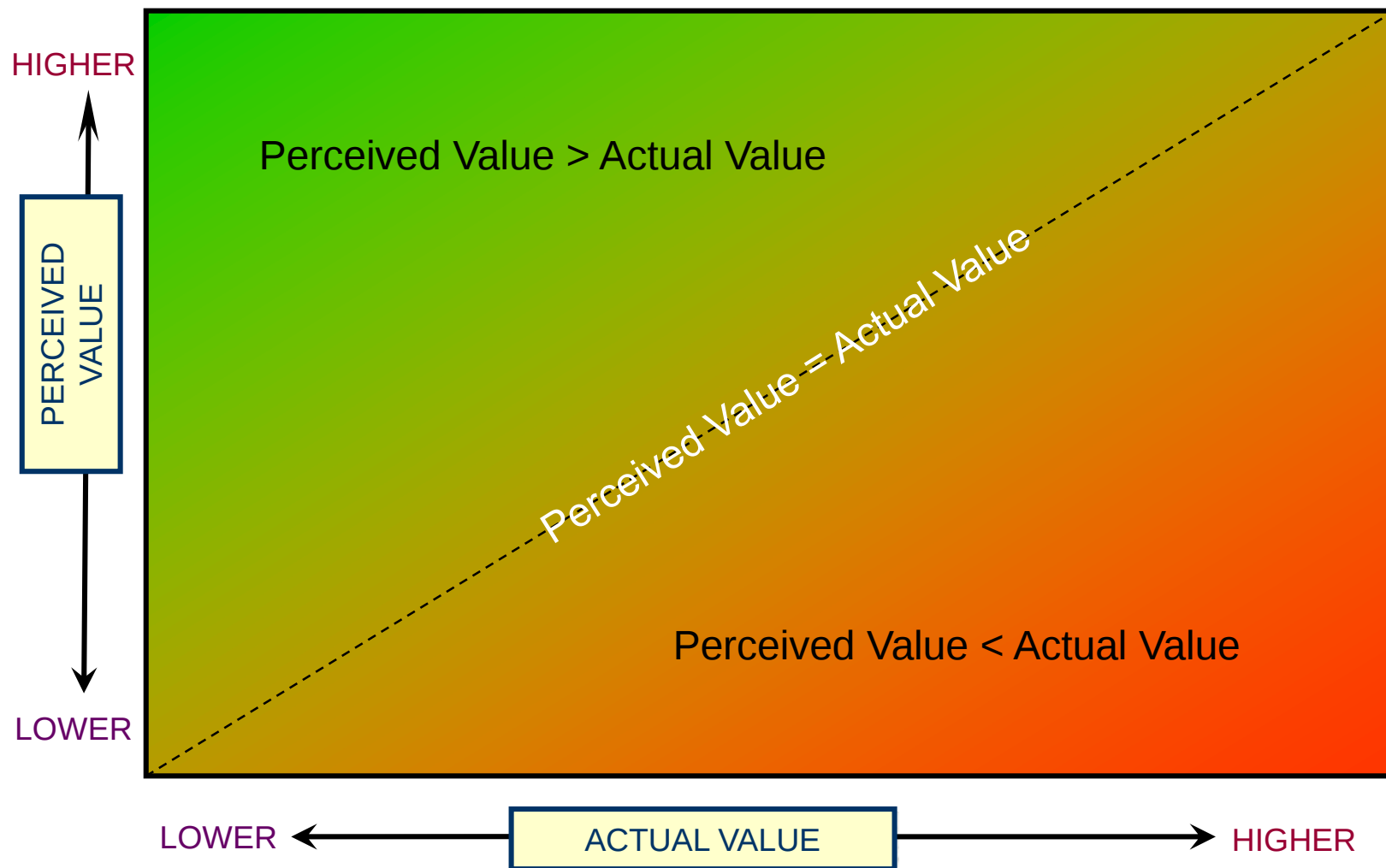
*“Expectations Not Set...
are Expectations Not Met!”*

So, let's get serious about proactively managing expectations!



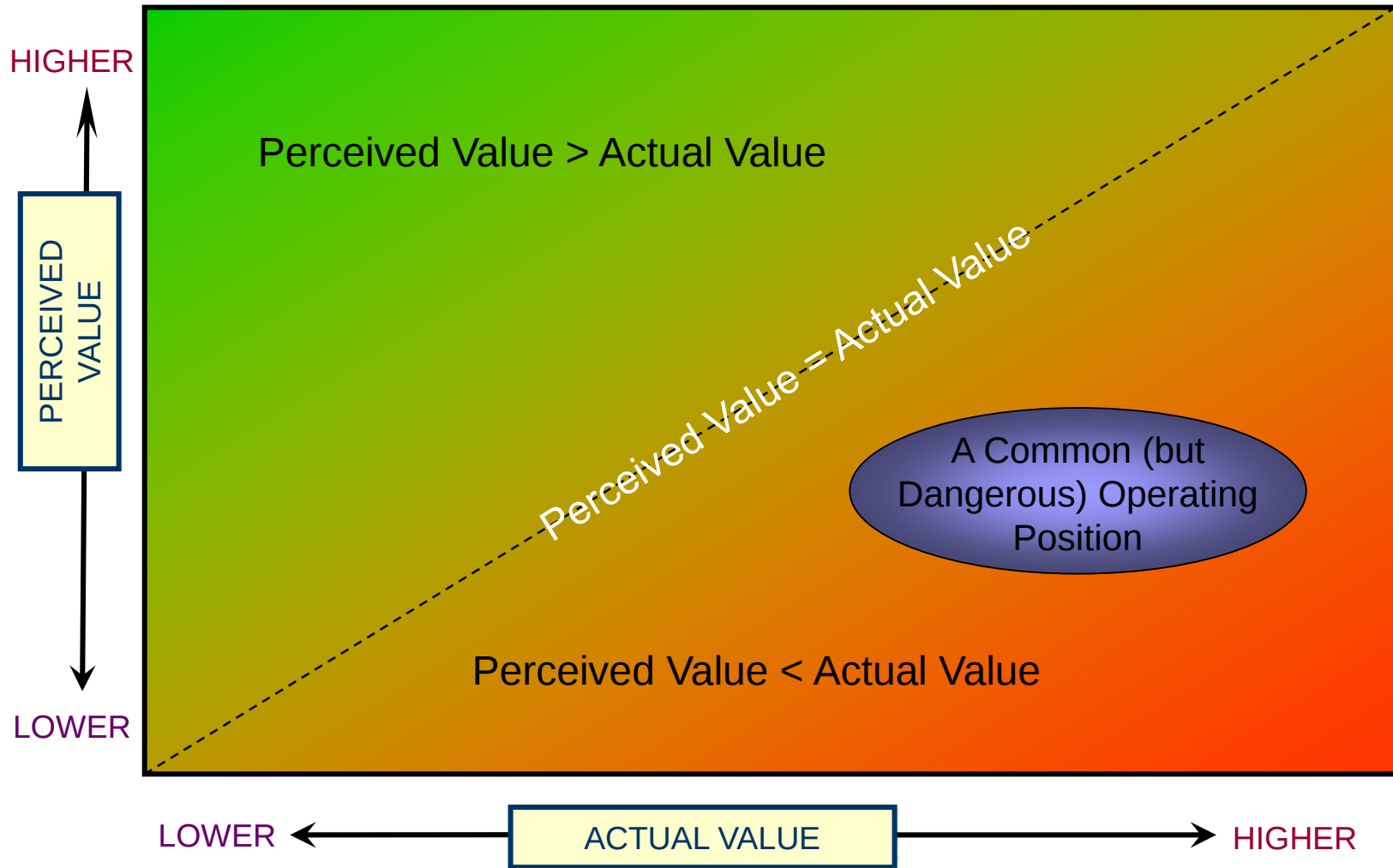


Perception vs. Reality in IT Support



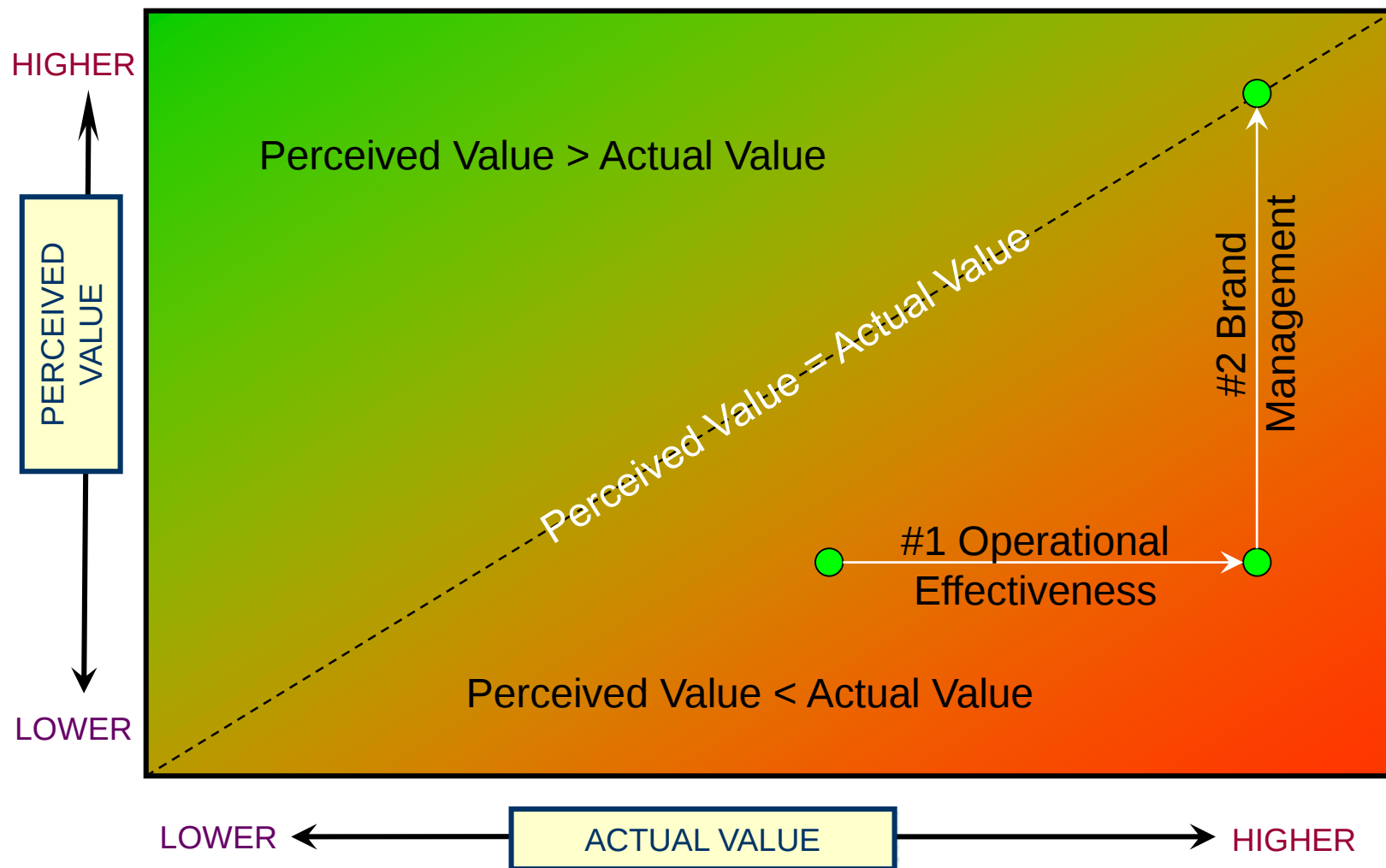


Perception Is Almost Always Worse Than the Reality



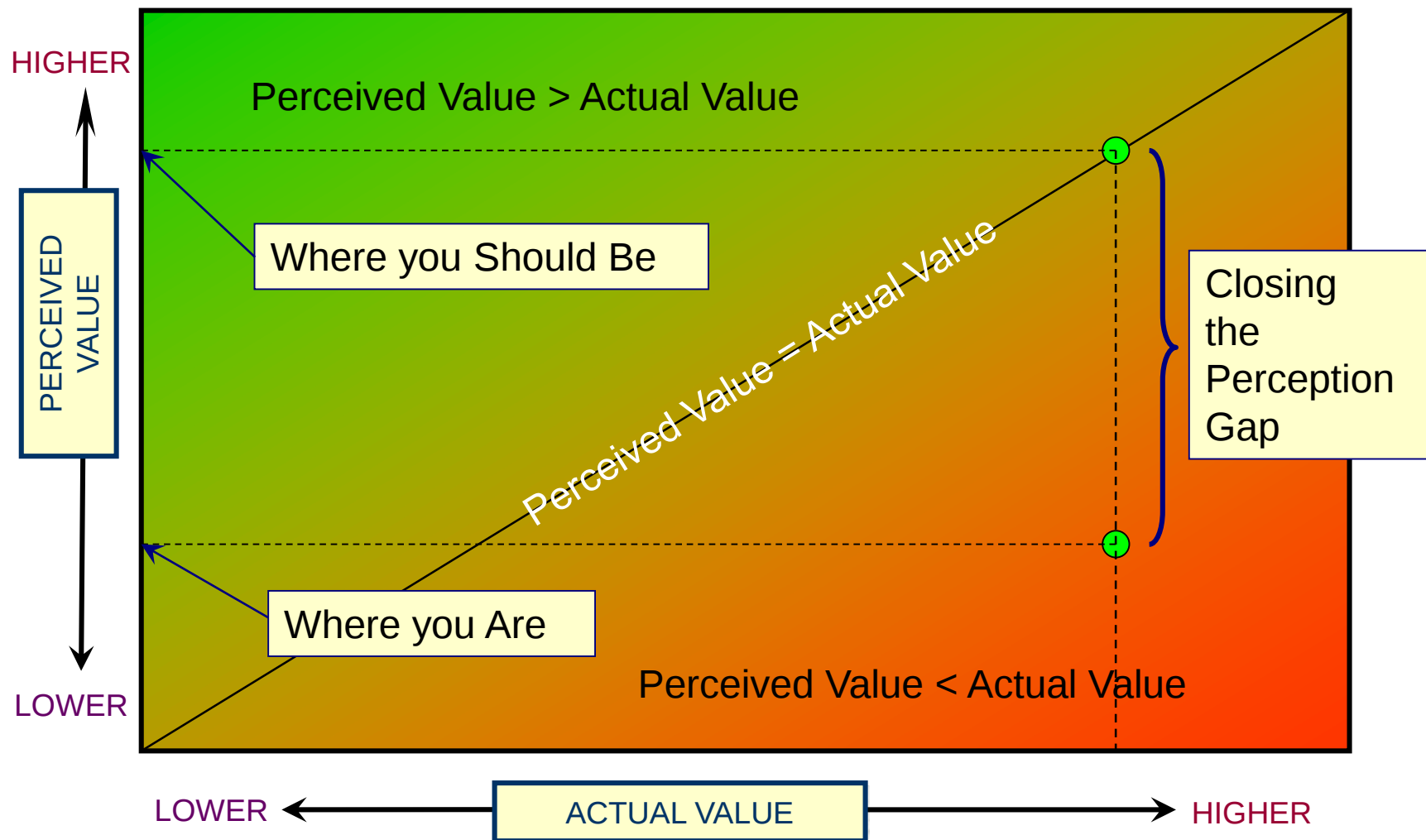


Brand Management in IT Support





Closing the Perception Gap





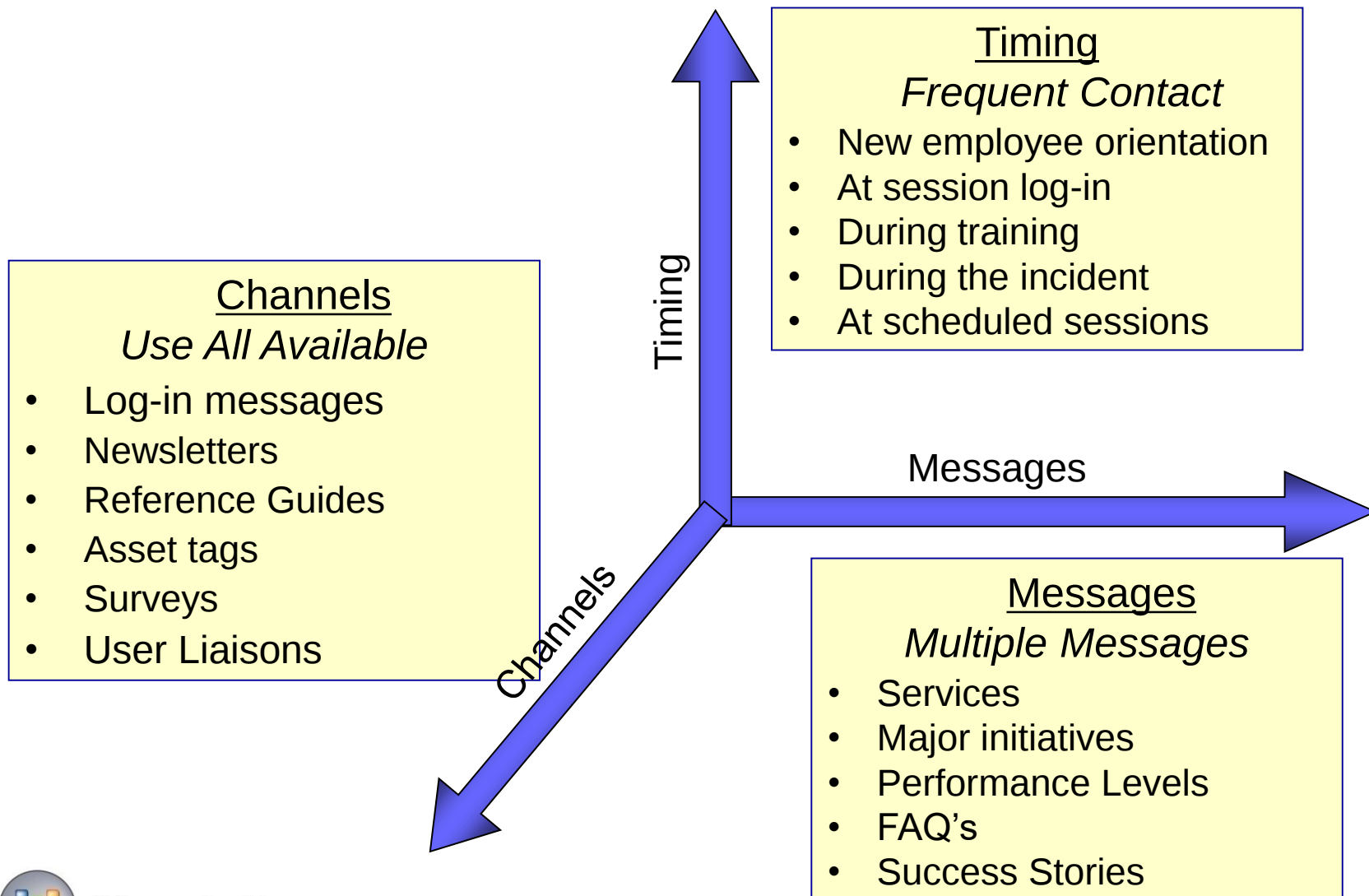
Brand Management: The Five W's

1. Who – Who are the Key Stakeholder Groups?
2. What – What are the Key Messages?
3. When – When are You Going to Communicate Them?
4. Where/How – Where/How do You Reach the Stakeholders?
5. Why – Why are We Doing This?





Key Success Factors in Marketing IT Support





The Most Common Communication Vehicles

Newsletters



Brown Bag Sessions



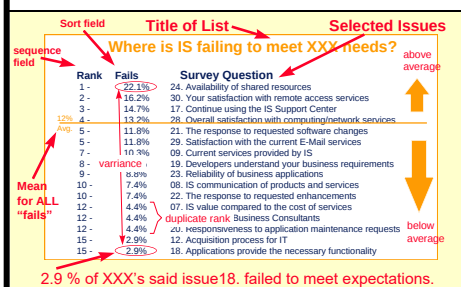
Leave Behinds



Business Unit Liaisons



Surveys



Log-in Screens



Webcasts



FAQ Site





Marketing Summary

- Managing the gap between perception and reality is fairly straightforward
 - It doesn't take a lot of time, or cost a lot of money
- But it is critically important
 - The success of your support organization depends as much on your image, as it does on your actual performance!
- The Benefits of effective Image Management Include:
 - Customer loyalty and positive word-of-mouth referrals
 - Credibility, which leverages your ability to Get Things Done!
 - A Positive Image for IT overall
 - High levels of Customer Satisfaction



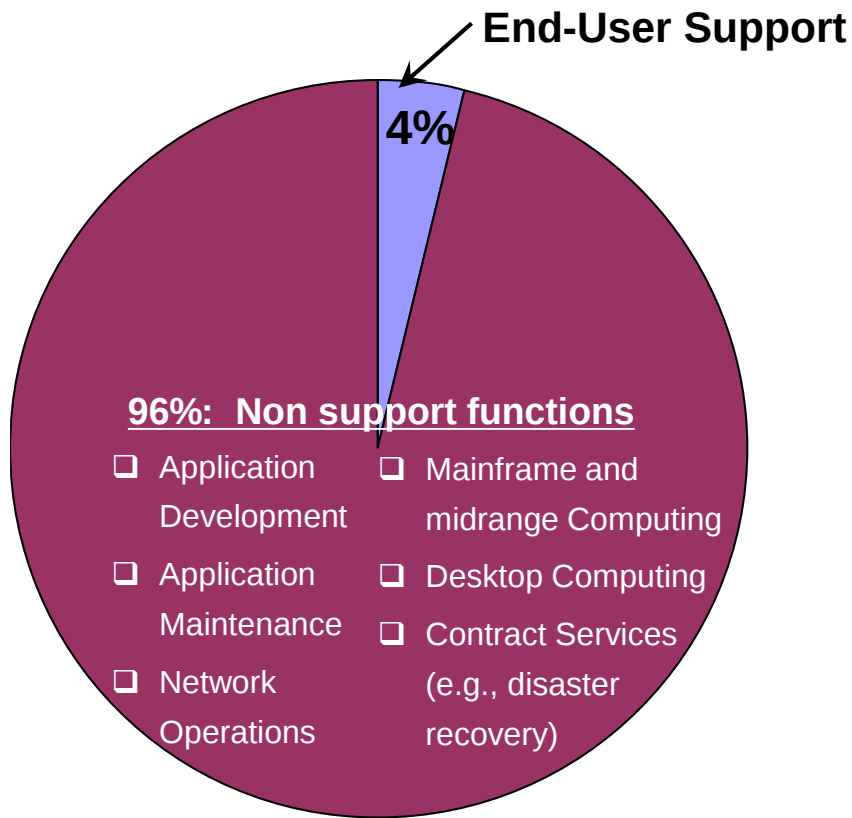


The Paradox of IT Service and Support



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The Paradox of IT Support



Corporate IT Spending Breakdown

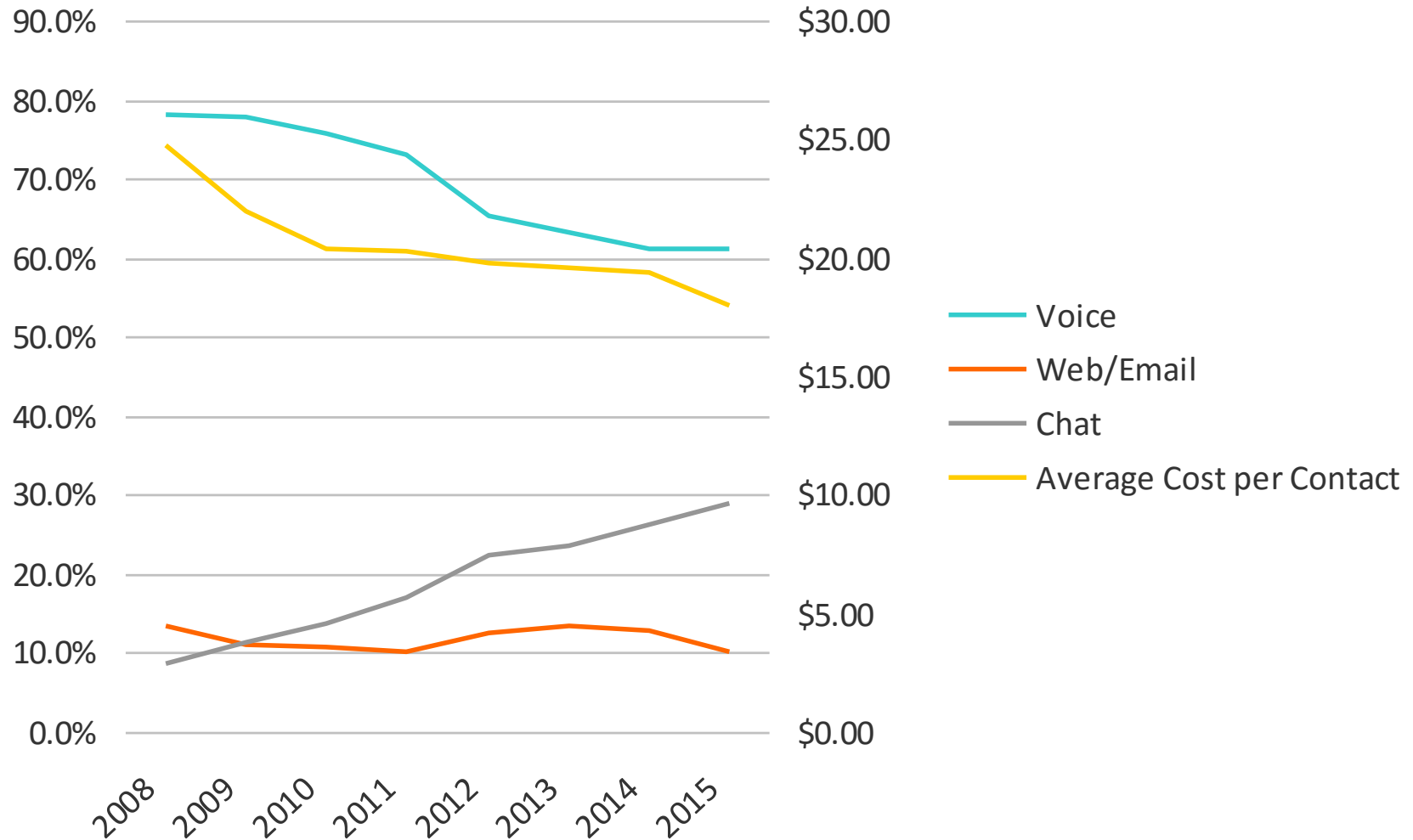
- ❑ Less than 5% of all IT spending is allocated to end-user support
 - Service desk, desktop support, field support
- ❑ This leads many to erroneously assume that there is little upside opportunity in IT support
- ❑ The result is that most support organizations are managed with the goal of minimizing costs
- ❑ But the most effective support strategies focus on maximizing value



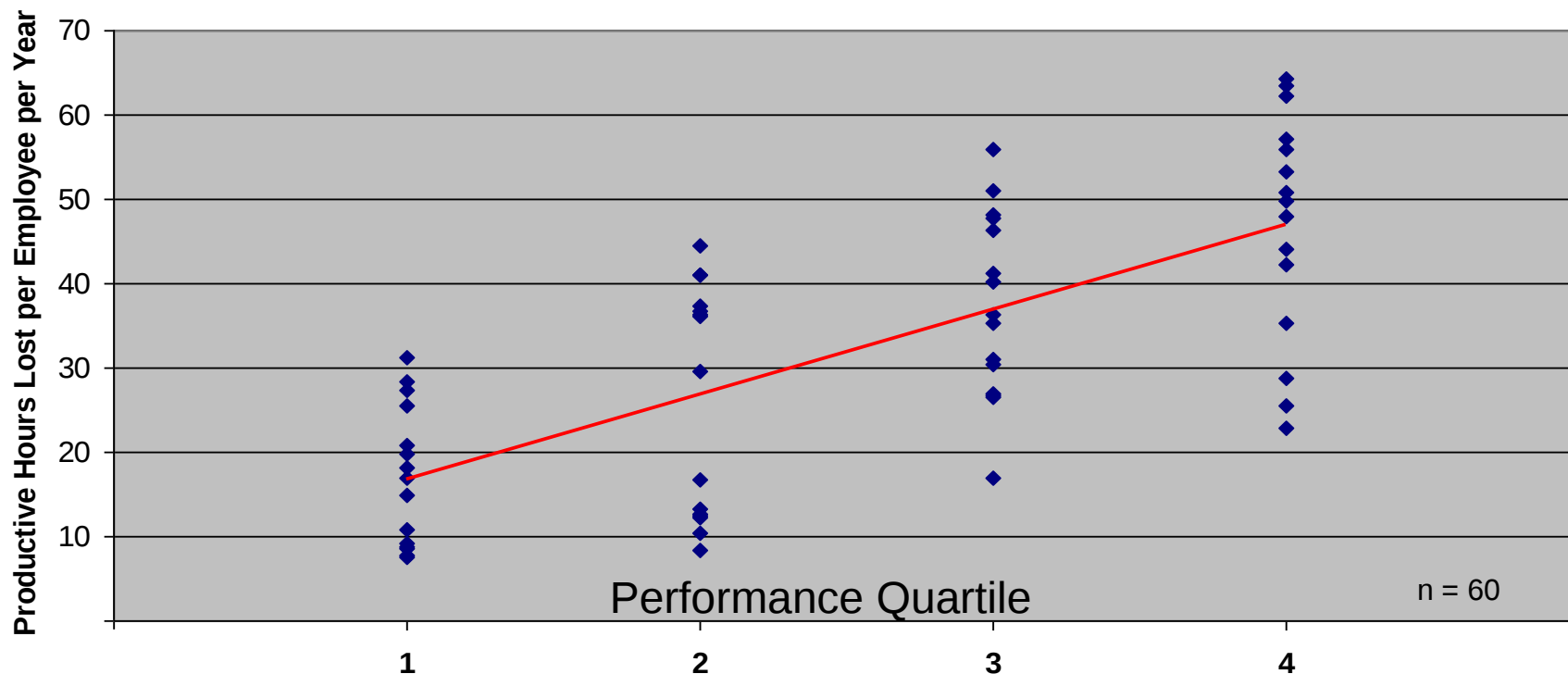
Support Has an Opportunity to Minimize TCO



Improved Channel Mix Drives Down Costs



Quality of Support Drives End-User Productivity



Support Function	Key Performance Indicator	Performance Quartile			
		1 (top)	2	3	4 (bottom)
Service Desk	Customer Satisfaction	93.5%	84.5%	76.1%	69.3%
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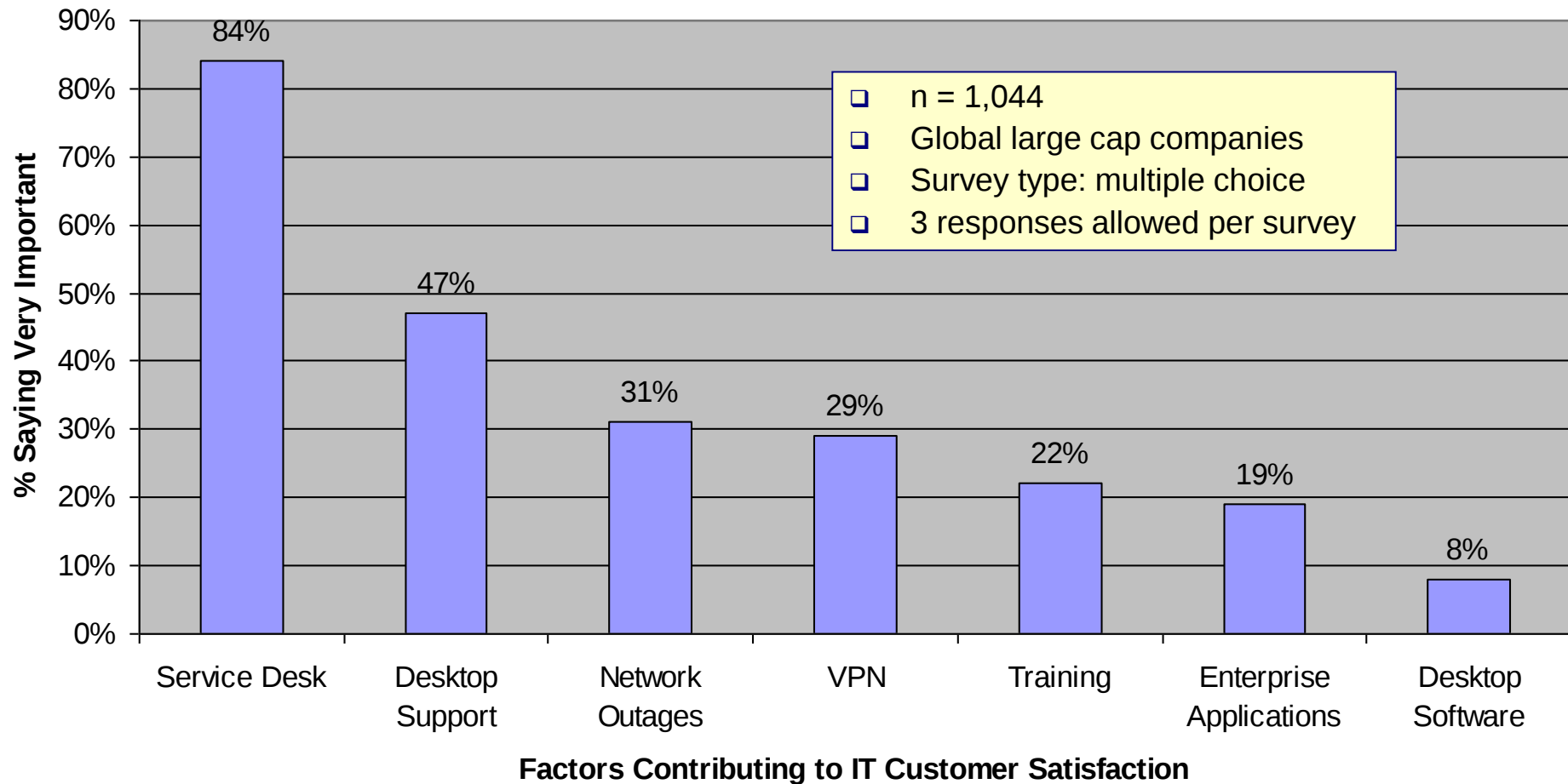




"Delight customers?! Why can't we just satisfy them like we used to?"



Support is a Key Driver of Customer Satisfaction for *All* of IT



- 84% cited the service desk as a very important factor in their overall satisfaction with corporate IT
- 47% cited desktop support as a very important factor in their overall satisfaction with corporate IT



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IT Support as a Business Enterprise





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Questions?



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Thank You!



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About MetricNet: *Your Benchmarking Partner*



Your Presenter: Jeff Rumburg



- Co Founder and Managing Partner, MetricNet, LLC
- Winner of the 2014 Ron Muns Lifetime Achievement Award
- Former CEO, The Verity Group
- Former Vice President, Gartner
- Founder of the IT Service and Support Benchmarking Consortium
- Author of *A Hands-On Guide to Competitive Benchmarking*
- Harvard MBA, Stanford MS



Benchmarking is MetricNet's Core Business

Information Technology

- Service Desk
- Desktop Support
- Field Support

Call Centers

- Customer Service
- Technical Support
- Telemarketing/Telesales
- Collections

Telecom

- Price Benchmarking

Satisfaction

- Customer Satisfaction
- Employee Satisfaction



27 Years of IT Service and Support Benchmarking Data



Global Database

More than 3,700 IT Service and Support Benchmarks

70+ Key Performance Indicators

More than 120 Industry Best Practices



Meet a Sampling of Our Clients

MetricNet Conducts benchmarking for IT Service and Support organizations worldwide, and across virtually every industry sector.



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Thank You!



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